



CHEMONICS INTERNATIONAL INC.

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# **Translation of the Anti-Money Laundering Law and SAR Report**

*Final Report*

*October 23, 2005*

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

## **Data Page**

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- Central Bank
- Governor
- Committee
- Unit
- Money
- Illegal money
- Bank
- Licensed Company
- Court
- Public Prosecutor

## **Abstract**

The following is a translation prepared by IBLAW of the draft Anti-Money Laundering Law and a translation of the **Notification of Suspicious Operation** form (SAR) report, with its two appendices; Appendix (1): **The Suspected Operations** and Appendix (2): **The Client's Account form**.

## **Table of Contents**

Executive Summary.....	1
Anti-Money Laundering Law No. {} of {}.....	2
Notification of Suspicious Operation	
SAR report.....	7
Appendix (1).....	11
Appendix (2).....	12

## **Executive Summary**

The following is a translation prepared by IBLAW of the draft Anti-Money Laundering Law and a translation of the **Notification of Suspicious Operation** form (SAR) report, with its two appendices; Appendix (1): **The Suspected Operations** and Appendix (2): **The Client's Account form**.

## **Anti-Money Laundering Law No. [ ] of [ ].**

### **Article one**

This Law shall be called (**Anti-Money Laundering Law No. [ ] of [ ]**) and it shall come into effect as of the date of its publication in the Official Gazette.

### **Article two**

The following words and expressions wherever stated in this Law, shall have the meanings ascribed thereto unless the context indicates otherwise:

- Central Bank:** Central Bank of Jordan
- Governor:** Governor of the Central Bank.
- Committee:** National Committee for Combating Money Laundering established in accordance with the provisions of this Law.
- Unit:** A Unit for Combating Money Laundering established in accordance with the provisions of this Law.
- Money:** Every material or immaterial right in or outside the Kingdom including any document, in whatever form, indicating the ownership of any property or indicating a right therein.
- Illegal money:** Any money received directly or indirectly by a criminal act in accordance with the provisions of Article (3) of this Law.
- Bank:** Any company licensed to practice banking activities in accordance with the Banks Law, including branches of foreign banks operating in Jordan.
- Licensed Company:** Any Money Exchange Company or Insurance Company or Financial Company licensed in accordance with the applicable law, and any other company subject to the application of this Law pursuant to a Council of Minister's decision.
- Court:** Court of First Instance.
- Public Prosecutor:** The Public Prosecutor seconded to the unit.

### **Article Three**

For the purposes of this Law, money shall be considered illegal if it is earned in relation to any of the following:

- a. Sale of drugs.
- b. Illegal sale of weapons.
- c. Terrorism.
- d. Holding a person as a hostage for ransom in violation of the Penal Code.
- e. Any crime committed in violation of the Economic Crimes Law.
- f. Any other crime considered as money laundering pursuant to a special Law.
- g. Any other crime considered as money laundering in accordance with an International Agreement to which Jordan is party.
- h. Any other act that involves money laundering and is subject to criminal penalties pursuant to the Laws in effect in the Kingdom.

### **Article four**

Any of the following acts shall be considered as money laundering:

- a. Concealing the actual source or place of the illegal money or covering it up by transfer or exchange.
- b. Deliberately concealing or giving false information about the ownership of the illegal money.
- c. Knowingly owning or acquiring or using or deploying illegal money to buy movable property or immovable property or to perform financial transactions.

### **Article Five**

- a. Prior to opening an account for any client, contracting therewith or performing any action on the client's behalf, a licensed bank or company shall obtain from the client all the information specified in the guidelines issued by the Central Bank of Jordan.
- b. For the purposes of investigating or prosecuting any suspect act of money laundering, the licensed banks and companies shall furnish any information or data concerning their clients or any transactions concluded with or through such clients to the Court or to the Public Prosecutor or to the Unit of Combating Money Laundering within its respective competence pursuant to this Law.

### **Article Six**

A "National Committee for Combating Money Laundering" shall be established pursuant to this Law, which shall be chaired by the Governor and shall comprise the following members:

- a. The Secretary General of Ministry of Justice
- b. The Secretary General of Ministry of Interior.
- c. The Secretary General of Ministry of Finance.
- d. The Director General of the Insurance Regulatory Commission.
- e. The Companies Controller.
- f. A designee of the Jordan Securities Commission nominated by its director.
- g. The Unit Director



### **Article Seven**

- a. The Committee shall perform the following tasks:
  1. Setting the general policy for combating money laundering.
  2. Overseeing the Unit's performance.
  3. Facilitating exchange of information related to money laundering acts and coordinating among the entities concerned.
  4. Participating in the international forums relating to money laundering.
  5. Drafting the required bylaws for implementing this Law.
- b. In performing its duties and tasks, and upon the Governor's request, the committee may seek the assistance of any person representing any concerned entity and as nominated thereby.
- c. Upon the Governor's recommendation, the Prime Minister shall issue instructions governing the procedures for the Unit's meetings, its quorum, its decision making, and other working procedures.

### **Article Eight:**

- a. Upon a decision from the Governor, an autonomous unit named (the Unit for Combating Money Laundering) shall be established and shall be located at the Central Bank of Jordan.
- b. Upon obtaining sufficient information about suspect money laundering transactions, the Unit shall prepare and submit a report to the Public Prosecutor, enclosing therewith all related documents and evidences, provided the report does not disclose the identity of the party reporting the suspect transaction.

### **Article Nine**

- a. A Public Prosecutor shall be seconded to assume the responsibilities of public prosecution at the Unit, and shall be charged with monitoring suspect money laundering activities and conducting the necessary investigations thereabout.
- b. In performing his duties and tasks, the Public Prosecutor shall have the authority to:
  1. Identify and monitor illegal suspect money by all required means for this purpose.
  2. Hold provisional seizure of illegal money and issue orders against disposing therewith.
  3. Cease the execution or conclusion of any contract involving or relating to illegal money.
  4. Withhold any documents related to illegal money as dictated by the investigation.
- c. In addition to the authorities stated in this Law, the Public Prosecutor shall assume the authorities stipulated in the Criminal Procedures law in force and without prejudice to the provisions of this Law.

- d. The authorities stipulated in this Article shall be exercised with due consideration to the rights of *bona fide* third parties.

#### **Article Ten**

- a. Without prejudice to higher penalty in any other law, anyone who commits a money laundering crime shall be subject to imprisonment of not less than one year and no more than three years, or a fine of not more than one million Dinars, or to both penalties, and the illegal confiscation of illegal money. The penalty shall be doubled for repeat offenders.
- b. The Accomplice, abettor, and intervener of money laundering crimes shall be subject to the same penalties as the principal offender. .
- c. Any person violating the provisions of this Law in other than the cases stipulated in paragraph (a) of this Article, shall be subject to imprisonment of not less than six months and a fine of no less than ten thousand Dinars.

#### **Article Eleven**

Companies, their board members and employees, and any licensing or regulatory authority thereof shall be exempt from civil and criminal liabilities due to the provision of information pursuant to this Law, provided this is not carried in bad faith and with the intention of harm to the person to whom the information pertains.

#### **Article Twelve**

If international entity requests assistance or information concerning money laundering acts, the concerned entities in Jordan shall, in coordination with the Committee, take into consideration the following:

- a. Providing the necessary assistance and information for investigating suspect money laundering activities.
- b. Prosecuting any suspect in money laundering activities subject to the following:
  1. The prosecution order is issued by a competent authority in the concerned country.
  2. Cooperation with the said entity does not violate the laws in force in the Kingdom, infringe upon its sovereignty or disaffect national security.
  3. The request does not relate to a crime in which a final court judgment has been issued.

#### **Article Thirteen**

Any information relating to money laundering activities pursuant to this Law shall be deemed confidential, and not to be disclosed, subject otherwise to attendant legal liabilities.

**Article Fourteen**

The provisions of banking secrecy in the Banks Law or any other law shall not apply to the investigation of money laundry crimes to the extent that they are in contradiction with the provisions of this Law .

**Article Fifteen**

Upon the recommendation of the Committee, the Governor shall issue the required instructions for the implementation of this Law and governing *inter alia*:

- a. The duties and authorities of the Unit for Combating Money Laundering, its reporting relationship, the organization of its affairs, and the appointment of its director and required staff.
- b. Training banks and licensed companies employees in all matters related to money laundering.
- c. Setting the maximum amounts for dealings in cash or negotiable commercial paper in Jordanian Dinar or other currency equivalents and the cases and conditions for exemptions there from.
- d. Setting the maximum for cash amounts that may be entered into the Kingdom and the ways for declaring such.

**Article sixteen:**

The Counsel of Ministers shall issue the regulations necessary for the implementation of this Law.

**Article Seventeen**

The Prime Minister and Ministers are responsible for executing the provisions of this Law.

## Suspicious Activity Report

### Notification of Suspicious Operation

**The Hashemite Kingdom of Jordan**  
**Central Bank of Jordan**  
**Bank Supervision Department**  
**Division of Detecting Suspicious Money Operations.**

#### Notification of Suspicious Operation

##### First: Information of the informing party

1. Name of the Organization							
2. Name of the chairman/ general manager/ company director (Authorized Signatory):							
3. Names and titles of Signatories							
A. Name :					Title:		
B. Name:					Title:		
4. Activity of the informing company:							
A. Bank:					B. Exchange company		
5. Address	Governorate:			City:		District	
	Street			Building no.		Tel. No.:	
6. The branch in which the operation occurred:							

##### Second: General information about the suspected person (whether natural or juridical person)

##### A. Natural person information

7. Name:							
8. Nationality:						9. Resident/non resident	
10.. Date of Birth	Day	Month	Year	11. Sex:			
12. The personal identification:		Family Card					
13. Information of the personal identification							
Issuance date:	Day	Month	Year	Place of Issuance Place			
Expiry date:	Day	Month	Year	National no.:			

14. Address in Jordan	Governorate			City:		District	
	Street			Building no.		Tel. No.	
15. Permanent place of residence abroad (If any):							
16. Profession:				17. Working entity:			

- Please fill the application in accordance with the instructions attached herewith. ([Click here](#) to view the instructions).

**B. If the client is a juridical person.:**

**B.1 Information about the juridical person:**

18. Name:							
19. Date of establishment	Day	Month	Year	20. Registration No.:			
21. Nationality:				22. Resident/non resident			
23. Nature of the activity according to the registry							
24. Type of company:		Limited Partnership					
25. Address in Jordan	Governorate			City:		District	
	Street			Building no.		Tel. No.	

**B.2 Information of the juridical person's authorized signatory.**

26. Name:							
27. Nationality:				28. Resident/non resident			
29.. Date of Birth	Day	Month	Year	30. Sex:			
31. The personal identification		Identification Card					
32. Information of the personal identification							
Issuance date:	Day	Month	Year	Place of Issuance			
Expiry date	Day	Month	Year	National no.			
33. Address in Jordan	Governorate			City:		District	
	Street			Building no.		Tel. No.	
34. Permanent place of residence abroad							

(If any):			
35. Profession:		36. Working entity:	

**Third: Information of the Beneficiary**

38. Name:					
39. Address in Jordan	Governorate		City:		District
	Street		Building no.		Tel. No.
40. Nationality:					
41. Beneficiary Bank:			42. Beneficiary Account No.:		

**Forth: Type of the suspected operation**

37. Type of the suspected operation:	
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**Fifth: Information of the suspected operation****1. Banks operating in Jordan****Please use Appendix (1) in case more than one operation exists.**

43. Operation date:	Day	Month	Year	44. Date of suspicious	Day	Month	Year
45. Amount				46. Currency			
47. Nature of the operation :	Identification Card						
48. Name of the beneficiary or client abroad (Owner of the operation)							
49. Place of residence							
50. Name of the bank or financial company operating abroad (Person Ordering to execute the operation)							
51. Place of residence							
52. Name of the receiving bank or financial company or any other receiving company (Executor of the Operation Executor)							
53. Place of residence							
54. Client accounts							
Type of account:				Account no.:			

Date of opening the account	Day	Month	Year	Currency:	
The authorized signatories				The account-opening branch	
Balance:				Credit/Debt	

**(Please use Appendix (2) in case more than one account exists.)**

55. Summary of the suspected operation (with the evidential documents and an explanatory letter)
56. The suspicion Reasons

## 2. The Exchange companies

57. Operation date:	Day	Month	Year	58. Date of suspicious	Day	Month	Year
59. Amount				60. Currency			
61. Nature of the operation :							

**In case of buying \ selling foreign currencies by bank transfer**

62. Name of the receiving Bank	
63. Beneficiary name:	
64. address:	
65. Source of the complaint:	
66. Summary of the suspected operation (with the evidential documents and an explanatory letter)	
67. The Suspicion Reasons	

## Appendices

## Appendix (1)

## The Suspected Operations

[illegible]



**Appendix (2)**

**The Client Accounts**

<b>Account type</b>	<b>Credit/Debit</b>	<b>Account no.</b>	<b>Currency</b>	<b>Date of opening the account</b>	<b>Authorized Signatories</b>	<b>The account-opening branch</b>	<b>Balance</b>